



## MEMORANDUM OFFICE OF THE MAYOR

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TO: George M. Burgess  
County Manager

DATE: July 3, 2003

FROM: Alex Penelas  
Mayor

SUBJECT: Challenges, Opportunities and  
Policy Priorities for Miami-Dade  
County

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Congratulations on your confirmation as County Manager. As I have expressed to you personally and publicly, I have full confidence in your ability to manage and direct our management team and the thousands of employees who serve the residents of Miami-Dade County. I know that through your skills at consensus building, focus on efficiency and management leadership, we can successfully address the many challenges facing our County at this time.

This memorandum serves to set forth the areas that I believe are in greatest need of your time and attention. Together with my State of the County Address, my March FY 2003-04 Mayoral Budget Message and my Mid-Year Budget Amendment Veto Message, it constitutes my charge to you for the coming year and a half.

### **Immediate Budget Challenges & Opportunities**

Our first and foremost priority must be to ensure the long term fiscal health and stability of the County by replenishing our reserves, streamlining operations and identifying additional efficiencies, while holding the line on taxes. I had previously requested a full review of the Mid-Year Budget Amendments I recently vetoed and a response to the issues raised in my Veto Message with an eye toward identifying additional cost savings. I also urge you to take a fresh look at the work completed thus far on the Manager's Proposed FY 03-04 Budget and the direction I articulated in my March Budget Message. In addition, I encourage you to closely review departmental savings plans and consider additional efficiency measures with particular attention on identifying sustainable solutions that reduce costs over the long term, beyond closing our immediate projected budget shortfall. Some of the measures I encourage you to consider as a part of this immediate review include:

- Restoring the County's financial reserves to healthy levels.
- Preserving the applicable maintenance of effort funding levels for the People's Transportation Plan Surtax and Children's Trust and avoiding supplantation of funds.
- Revisiting, together with our new Supervisor of Elections, the organizational structure and department budget request by the Elections Department.

- Reviewing future cost of living adjustments and merit increases, particularly as they relate to executive level employees, to ensure that such salary considerations are driven by performance-based criteria.
- Determining the feasibility and cost/benefit of offering an early retirement package for senior departmental management staff and those in the Deferred Retirement Option Program (DROP).
- Consistent with your recent memo on the subject, continuing to ensure compliance with the spirit of the DROP program. It is my view that, in general, employees who enter DROP and leave County service should not be rehired. As you have noted, it is a completely voluntary program with substantial benefits to the employee. While some limited exceptions may be warranted, I urge you to review them carefully and allow them only when absolutely essential.
- Reviewing the use of the Departure Incentive Program (DIP) for County personnel. While this program achieves a well-intentioned purpose, we must make sure that waivers of requirements and awarding of benefits are carefully scrutinized and permitted only in those instances when it is in keeping with the original intent of the program.
- Fully reviewing all position reclassifications from the last year as set forth in the mid-year budget amendment Veto Message.
- Developing a Revenue Maximization Plan and identifying opportunities for matching or drawing down available federal funds for services we currently provide. State law has long provided our departments the opportunity to proactively identify available funding from the federal government and claim it for human services, crime prevention and intervention and other services we currently pay for with County General Revenue. I urge you to develop revenue maximization proposals proactively, while protecting the County from further cost shifts by the State.
- Implementing a system to track cost shifts and budget cuts by the Federal and State Governments so that we can quantify the cost to the County in terms of dollars and/or cuts in services required as a result of State and Federal budget decisions. We need to keep a running tally of how much the Federal and State Governments are shifting to local taxpayers in the way of service cuts or direct costs to the County.
- Reviewing our various Information Technology departmental structures and evaluating opportunities for departmental consolidation. Projects should be prioritized based on cost-benefit studies and the development of an information technology master plan and schedule. While important strides have been made to advance our technological abilities, expenditures in this area need to be closely reviewed to ascertain where best to allocate our scarce resources.
- Closely evaluating the rate increases proposed by our Water and Sewer and Solid Waste Management departments and recommending any policy or structural changes that may be implemented to reduce costs.
- Continuing efforts to enhance competition and minimize use of the bid waiver process in our procurement procedures.

### **Fiscal Policy & Management Reforms**

As you are aware, over the past 6½ years I have challenged the County Administration to do more with less, to innovate and be proactive in solving problems and improving services. Each year I have reviewed expenditures and revenues and proposed modest and responsible tax rate reductions. I have done so because I firmly believe that we can do a better job at streamlining operations and identifying

effective solutions to rein in costs. I have become increasingly concerned that despite efforts to reorganize departments and operate more cost-effectively, administrative layers and expenses continue to grow.

Recommendations in this area that I would urge you to consider include:

- Placing greater focus on the customer – for the residents we serve and the businesses we interact with. I believe much progress has been made toward being more customer service focused, especially through citizen access to services through our web portal, but much more work can and should be done.
- Consolidating departments or functions with similar or related responsibilities. One such area where the Board has begun discussing possible consolidation and which holds tremendous potential for efficiency and cost savings is in the creation of a Public Safety Department encompassing our Police, Corrections and other related functions.
- Strengthening and enhancing the role of our performance improvement initiatives to spur reforms and hold departments accountable to the highest performance standards.
- Instituting a tracking (and compliance system) to ensure timely and appropriate follow-through on Mayoral and BCC directives. As I stated in my Budget Message, we must ensure that departments are implementing the policy directives of the Board and the Mayor. There have been occasions recently when this has not occurred. For example, the failure of the Corrections and Rehabilitation Department to reinstitute the collection of the \$2 per day inmate subsistence fee, despite being directed to do so in the FY 02-03 Budget, resulted in a loss of approximately \$550,000 in revenue to the County. It is my understanding that this problem is being resolved and full collections are set to begin again later this month. However, it clearly illustrates the need for a system of compliance and tracking and swift corrective action when directives are not followed.
- In consultation with the County Attorney, developing protocols for a system of departmental corrective action plans when the County has an unfavorable judgment entered against it and an inappropriate action, policy or procedure is indicated.

It is my expectation that these recommended strategies serve as starting points for discussion and action by your Office and the Board. As you know, each year through our annual budget cycle we consider and adopt recommendations for change and reform. An organization as large as ours improves through a sustained effort to reinvent, initiate change and identify efficiency. This progress, coupled with measures to strengthen the public's trust and a fiscal policy to provide modest property tax relief, have helped us restore public confidence and make the case to voters on two occasions to support additional investments in children's services and transportation. I believe the trust that voters expressed when they supported both of these initiatives last fall is a strong indication of the progress we have made as a County government.

### **Policy Priorities:**

In addition to policy priorities and concerns I have expressed in recent memoranda and in my first Budget Message, I have provided additional thoughts and recommendations on some of these priorities below:

- **Continuing Our Commitment to Fighting Corruption**  
Over the past six-and-one-half years I have strongly supported measures to strengthen oversight and accountability and prevent corruption and abuse of the public trust. With the support of the County Commission, we have strengthened the public corruption unit of the Miami-Dade Police

Department (MDPD), established and strengthened the Office of Inspector General (OIG) and instituted and staffed the Commission on Ethics and Public Trust. These investments have paid off and County employees, contractors and elected officials are gaining an increasing understanding that strong measures are in place to detect and root out corruption and fraud. We should not discount the deterrent effect of our support for these measures. During my term as Mayor we have dramatically increased staff dedicated to detecting fraud and public corruption. When I took office in 1996, MDPD had just two employees assigned to the public corruption unit – today, there are 55 full-time investigators at MDPD and OIG dedicated to this function.

We have made a public commitment and significant investment in strengthening public trust and must continue to do so. Toward that end, I urge you to support full-funding for the MDPD Public Corruption Unit, Commission on Ethics and Public Trust and Office of Inspector General, and identify additional measures and investments we can make to strengthen their effectiveness or broaden their reach.

- **People's Transportation Plan**

While many improvements have been implemented since voters overwhelmingly approved the transit surtax, including expanded service on nearly three-dozen bus routes, 24-hour Metrorail service, new buses, free Metromover and six new circulator routes, we continue to spend a significant amount of time trying to explain administrative decisions, rather than focusing our energies on the important strides that have been taken. The successful implementation of the People's Transportation Plan has been overshadowed by issues regarding the infrastructure that has been developed to provide transit services while supporting this \$17 billion expansion program. In my Budget Message I expressed concerns with potential duplication of positions; these concerns remained with the submission of the Manager's supplemental budget and budget amendment. I strongly encourage you to review the structure that has been developed and determine what modifications are required to reduce duplication and improve efficiencies, while providing the appropriate support to ensure the implementation of voter-approved enhancements. In addition, we must make sure that our watchdogs, the Citizen's Independent Transportation Trust, is provided the support it needs to fully execute its responsibilities.

As I have discussed with you, I have serious concerns with any potential efforts to supplant currently funded transit services with transit surtax funds. I believe our promise to the voters was clear: new monies will be used only for new services. The maintenance of effort provision, which has been expanded by the Board of County Commissioners to include other county resources, is only part of this promise. We must avoid any temptation at a time of fiscal pressures to look at these funds as a mechanism to address our current financial challenges. I urge you to revisit budget assumptions that include a reduction of general revenue funds for transit programs, to ensure that supplantation is not occurring, and that services are not impacted.

- **Homeland Security**

I urge you to fully review our current structure for coordinating homeland security preparedness. In my Preliminary Budget Message, I called for a renewed emphasis on coordinating our preparedness and the provision of regular reports to my Office and the Board. It is especially important that we coordinate our planning and grant application process for accessing Homeland Security funds given the significant hurdles and processes put in place by the Federal Government in order to claim our fair share of domestic preparedness funds.

- **Public Safety**

In the last seven years, Miami-Dade County has placed a high priority on fighting crime. Thanks to the extraordinary efforts of the Miami-Dade Police Department, and the support of the Board of County Commissioners, we have made our community one of the safest in the nation. However, we must remain vigilant and maintain an adequate level of investment in public safety measures.

These measures include adequate staffing, training, equipment, and facilities for our police and fire rescue personnel.

- **Health Care Reform**

I am encouraged by the Board's recent actions and willingness to implement certain key recommendations of the Mayor's Healthcare Access Task Force to significantly reduce the number of uninsured residents of Miami-Dade County, currently estimated to be over 450,000. In particular, there is an increased need for outreach and enrollment of uninsured children in the Florida KidCare Program. The Board recently approved the creation of the Miami-Dade County KidCare Outreach Coalition and certain in-kind services to assist with this effort. The proposed creation of an Office of Healthcare Planning by Chairperson Carey-Shuler and Commissioners Rolle and Moss will also allow better delivery of healthcare services countywide through enhanced coordination and planning. Once this proposal is adopted by the BCC, the implementation and the creation of this office must be given a high priority. In addition, the development of innovative health insurance programs such as the health flex plan for the working uninsured should be aggressively pursued under the auspices of this office.

- **Aviation Authority**

As you know, I have been a strong advocate for the creation of an independent Aviation Authority. Under Chairwoman Carey-Shuler's leadership, an "Ad-Hoc" committee has been created that is developing a structure for the creation of such a body. I urge you to provide the necessary staff support to assist these community volunteers in the development of their proposed ordinance. Additionally, I look forward to your leadership and guidance in assisting in the transition that would occur with the creation of an aviation authority if the BCC endorses its creation. This transition would need to occur quickly and in a seamless manner that will not interrupt our aggressive capital program or adversely impact our airport users.

- **Economic Development & Human Services**

In my first FY 2003-04 Budget Message, I stressed the importance of streamlining and better coordinating economic development functions within the County. I was also concerned with the time being taken to implement new programs and increase job creation. I am encouraged by recent improvements in this regard under Commissioner Rolle's leadership, and urge you to ensure that they remain on course. I also recommend that you explore ways in which we can better link our community and economic development efforts with other County programs that promote self sufficiency and strengthen our community, such as those coordinated by and through our Community Action Agency and the Department of Human Services.

The County has taken a major step with the restructuring of the basic CBO allocation process to align County funding with the priorities established in the Social Services Master Plan (SSMP), prepared by the Alliance for Human Services. This is especially important in light of the increasing demand for human services, and state and federal funding cuts in this area. I would encourage you to ensure that all other County funding for health and human services, including CDBG public service funds, are also aligned with these funding priorities, and that allocations are consistent with these identified needs. Further, I would ask you to revisit all funding allocations made to CBO's outside of a competitive process, with a view to ensuring that these programs compete in the multi-year funding RFP's coordinated by the Alliance. This approach would not require new funding and would ensure a coordinated process for ensuring that we are meeting our greatest community needs with our limited resources.

- **Children's Issues**

- **Juvenile Justice/Juvenile Assessment Center**

My Budget Message requested an evaluation of juvenile justice functions with a view towards integration, streamlining and system efficiencies. A panel of senior level management is currently

meeting with JAC, JASP/JASS and TASC staff to identify these system efficiencies. I urge you to follow up with members of this panel and to encourage these departments to work towards mutual cooperation in areas of common interest, such as assessments for pre and post-arrest diversion. I would also encourage you to aggressively pursue revenue maximization opportunities for JAC and other juvenile justice related expenditures we currently fund using County General Revenue.

### **Child Welfare**

As stated in my Budget Message, I believe that we should support a proposal, based on national best-practices, to provide Child Abuse Investigations and Family Preservation Services through collaboration between MDPD and qualified service organizations.

While I stand willing to offer the hand of local government in partnerships to improve child welfare services, I also believe we must continue to be vigilant and stand firm in our efforts to ensure that the State fund its obligations to children who have been abused and neglected.

I also believe the County can play a stronger role in holding State agencies responsible for the care of abused and neglected children in our community. No system, whether government or private, runs well without independent mechanisms for real oversight and accountability. I strongly believe that we should focus more attention on holding the state accountable for providing the resources necessary to properly care for children in their custody – whether they be abused, abandoned or neglected, or those who are detained in the Juvenile Detention Center. In my Preliminary Budget Message, I highlighted two outstanding programs – Foster Care Review, Inc. and the Guardian Ad Litem Program - that provide such accountability. We should assist each in accessing additional funding to help them accomplish this vital function.

- **General Obligation Bond (GOB) Program**

I am very pleased that the Board of County Commissioners recently passed a Resolution directing the County Manager to develop a GOB program, and ask that this initiative be one of your highest priorities. Currently, we have a large service infrastructure that has deteriorated over the years. Some of these needs are more urgent than others, but remedying them will make a vast difference in our neighborhoods, and ultimately, on the quality of life of our residents. An estimated \$1.3 billion dollars injected into Miami-Dade County for a variety of projects will bring much-needed new facilities, improvements to current services, investment, and jobs to our community. We simply must take advantage of current debt service capacity and low interest rate conditions and begin our GOB program as soon as possible.

- **Incorporation**

We must ensure that we are appropriately gauging the effects of incorporation on countywide services and that we are making the corresponding adjustments to County operations. We must operate more efficiently and adapt to the reality that our service area is declining in size.

In closing, I would like to welcome you back to Miami-Dade County and wish you well as you assume the position of Miami-Dade County Manager. Your years of service to this County have been marked by excellence, professionalism and integrity. I have no doubt that these will be the hallmarks of your tenure as the chief administrator of this government and look forward to working closely with you.

cc: Honorable Chairperson and Members, Board of County Commissioners  
The Honorable Joseph Farina, Chief Judge  
The Honorable Harvey Ruvlin, Clerk  
Robert Ginsburg, County Attorney